Export of Diamond

2851. SHRI B.L. SHANKAR: Will the Minister of COMMERCE be pleased to state:

(a) whether the exports of diamond has fallen further during the first quarter of 1997-98;

(b) if so, the details of the loss of foreign exchange suffered as a result thereof;

(c) the reasons for the fall in the diamond export; and

(d) the details of the measures proposed by the Government to boost the diamond export during 1997-98?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) No, Sir. As per available data, the deceleration in exports of diamond in April-June, 1997 quarter has been lower than the previous quarter.

(b) The details of the foreign exchange earned during April-June, 1997 is as follows:

(Value in US $ million)

	1997	1996
Export of diamonds	870.51	931.16

Source: GJEPC

(c) The fall in exports of diamond was primarily due to:

(i) Recession in demand in the major markets of cut and polished diamond and studded jewellery including Japan, USA and Europe;

(ii) Excessive inventory built-up resulting in low profitability; and

(iii) Comparatively high rate of interest on post-shipment credit eroding the competitiveness of Indian goods.

(d) The Government has recently taken number of measures to boost diamond export from the country which include:

(i) Reduction in interest rates from 26th June, 1997 in post-shipment rupee export credit;

(ii) 100% replenishment on export of rough diamonds;

(iii) third party exports have been allowed in order to encourage the small manufacturers and exporters; and

(iv) the bulk licence holders are permitted to import rough diamonds from any source.

[Translation]

Higher Denomination Currency Notes

2852. SHRI KACHARU BHAU RAUT:

SHRI SURESH KALMADI:

SHRI N.K. PREMCHANDRAN:

SHRI PANKAJ CHOWDHARY:

SHRIMATI KETAKI DEVI SINGH:

SHRI SURESH PRABHU:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to issue currency notes of higher denominations;

(b) if so, the details of such notes; and

(c) the time by which the same are likely to be issued?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) Government has not taken a decision on introduction of higher denomination of notes.

Trade Agreements with China

2853. SHRI NAND KUMAR SAI: Will the Minister of COMMERCE be pleased to state:

(a) whether any agreement has been reached between China and India for the promotion of trade between the two countries;

(b) if so, the details thereof;

(c) the value of trade being carried out between China and India at present; and

(d) the extent to which the bilateral trade is likely to be increased?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) and (b) A Trade Agreement was signed between India and the People's Republic of China on 15th August 1984. Its salient features are mutual Most-Favoured-Nation Treatment, promotion and diversification of bilateral trade, trade transactions to be in freely convertible currency, agreement to facilitate trade in identified items and regular bilateral consultations.

(c) and (d) The total exports to and imports form the People's Republic of China since 1993-94, as per statistics published by DGCI&S are as given below:

(Rs. in lakhs)

Year	Exports	Imports
1993-94	85718.56	97235.44
1994-95	79971.57	236802.24
1995-96	109743.97	273283.82
1996-97	210648.80	264958.81

The above statistics indicate a steady growth in the volume of bilateral trade. During the visit of the Chinese President Jiang Zemin to India in 1996, India and China agreed to fix a target of US $ 10 billion of trade volume to be achieved by the year 2000.

ANZ's View on Investment in India

2854. SHRI DADA BABU RAO PRANJPE: Will the Minister of FINANCE be pleased to state:

(a) whether the Government are aware that the prominent investment Banking institution of the World, ANZ Investment Bank has stated that American Investors are willing to make long term investment in Indian Public Regional Institutions and financial institutions; and

(b) if so, the attitude of the Union Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) The information is being collected and will be laid on the Table of the House to the extent available.

[English]

Indian Aid to U.S. Coal Industry

2855. SHRI SONTOSH MOHAN DEV:

DR. T. SUBBARAMI REDDY:

Will the Minister of COAL be pleased to state:

(a) whether the Government have received any proposal from the America's coal industry for resurrection of their mines with Indian help;

(b) if so, the details thereof; and

(c) the action taken by the Government thereon?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) No, Sir.

(b) and (c) Does not arise.

[Translation]

Disposal of Mutilated Notes

2856. SHRI JAGAT VIR SINGH DRONA: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has formulated any scheme for export of wad of notes and the Government has imported machines worth nine crores of rupees for it;

(b) whether 4500 tonnes of mutilated notes are burnt each year due to lack of better method for the disposal of such notes in India and now wad of notes would be made by processing these mutilated notes and the imported machine would not only tear out 300 kilogram notes in small pieces but would also make wads from them which would be ullised commercially; and

(c) if so, the present position of the said scheme?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) The Reserve Bank of India has installed modern currency disintegrator and briquetting systems at its offices at New Delhi, Calcutta and Mumbai for destruction of soiled/defaced notes at a cost of Rs. 15.38 crores. The briquettes will not be exported.

(b) and (c) Nearly 5 billion unfit bank notes are withdrawn from circulation every year. This amounts to 4500 tonnes of solid wastes generated annually in the cash processing centres of the Reserve Bank. The Bank has installed modern currency disintegrator and briquetting systems at its offices at New Delhi, Calcutta and Mumbai for destruction of unfit notes. At other RBI Centres, destruction of unfit notes is by burning. The imported systems shred 300 kgs. of bank notes per hour and compress the shreds into briquettes. Efforts are being made to dispose the briquettes in a manner friendly to the environment.

[English]

Bharat Yantra Nigam Ltd.

2857. SHRI BASU DEB ACHARIA: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have accorded approval to the capital restructuring of Bridge and Roof Company a subsidiary of Bharat Yantra Nigam Ltd.;

(b) if so, the details thereof;

(c) whether the proposal to delink Bridge and Roof Company from the holding company is under consideration of the Government; and

(d) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) No, Sir.

(b) Does not arise.

(c) and (c) The issue of delinking of Bridge and Roof Company (India) Ltd. (B&R) from its holding company Bharat Yantra Nigam Limited cropped up during consideration of the proposal for financial restructuring of B&R. However, no final dicision has been taken so far by the Government